

Pharmaceuticals Europe

Improving healthcare in the developing world



Our commitment

GSK is committed to playing an active part in addressing the healthcare challenges of the developing world by taking an innovative, responsible and above all, sustainable approach.

We are making a vital contribution to developing countries' healthcare through action in four areas:

- Preferential pricing of our antiretroviral drugs (ARVs have the potential to dramatically improve the health and extend the lives of some people with HIV and AIDS) anti-malarials and vaccines
- Investing in research and development (R&D) that targets diseases that disproportionately affect the developing world
- Community investment activities and partnerships that foster effective healthcare
- Engaging in innovative partnerships and solutions

We believe that our response is not only the right thing to do but makes good business sense. Companies that respond sensitively and with commitment by changing their business practices to address such challenges will be the leaders of the future.

Preferential Pricing

GSK has offered sustainable preferential pricing for ARVs since 1997 and for vaccines for over 20 years. Our AIDS medicines and anti-malarials are available at not-for-profit prices to public sector customers and not-for-profit organisations in all the Least Developed Countries and all of sub-Saharan Africa. Including eligible Global Fund Projects and the US Government's PEPFAR programmes, this means that our not-for-profit prices are now available in over 100 countries.

Our prices are sustainable – we do not make a profit but we do cover our costs. This means that we can sustain supply of these high-quality products for as long as they are needed.

With regard to vaccines, it is widely acknowledged that global immunisation is one of the most successful public health initiatives ever undertaken. It has led to the eradication of smallpox, the potential eradication of polio, and it is estimated to save the lives of up to three million children worldwide each year. GSK has played a key role in this effort as one of the primary suppliers of vaccines to major international organisations such as WHO, the United Nations Children's Fund (UNICEF) and the Pan-American Health Organisation (PAHO). Typically 75-90% of all the vaccines we sell go to the developing world.

R&D for tomorrow's medicines and vaccines

We believe that GSK has the industry's most extensive portfolio of R&D projects for diseases of the developing world and is the only company with programmes targeting both treatment and prevention of all three of the WHO's priority diseases – HIV and AIDS, tuberculosis (TB) and malaria.

Teams of GSK scientists and clinical development experts in the UK, US and Spain have been established specifically to focus on diseases of the developing world. For this group, drug development projects are prioritised primarily on their socio-economic and public health benefits, rather than their commercial returns. A similar research group exists in our vaccines organisation based in Belgium.

- GSK has been working on a malaria vaccine for over two decades and it is currently undergoing clinical trials in Mozambique, Kenya, Tanzania, Gabon and Ghana. If the results continue to be positive, the vaccine could be launched as early as 2011
- In line with the strategy of WHO, GSK is developing an artemisinin combination therapy call Dacart™, based on our existing anti-malarial Lapdap™. We hope to file Dacart™ for regulatory approval early in 2008
- In 2006 we identified a new compound for development that may be effective against drug-resistant strains of malaria. Critically, this potential medicine does not show the toxicity issues that affected a previous candidate. We expect to begin trials in late 2007
- In TB research we are working with the Aeras Global TB Vaccine Foundation and have launched a joint drug discovery partnership with the Global Alliance for TB Drug Development (TB Alliance)
- In March 2007 we announced the regulatory submission to the European Agency for the Evaluation of Medicinal Products (EMA) of *Globorix*™ a multivalent vaccine specifically designed to protect children in Africa from 5 childhood diseases as well as the specific strains of meningitis prevalent there. This vaccine candidate could be available as early as 2008 and has the potential to break the cycle of meningitis epidemics in Africa
- In 2005 GSK launched *Rotarix*™, a vaccine to prevent rotavirus, the leading cause of severe diarrhoea and vomiting in children under five. In developing countries 600,000 children die from rotavirus each year. *Rotarix*™ is now licensed in 97 countries including 25 countries in Europe

- GSK is working in public-private partnerships with the International AIDS Vaccine Initiative (IAVI) and the Institut Pasteur to develop AIDS vaccines specifically for Africa, as well as two GSK programmes
- In total GSK is conducting R&D into 11 diseases of particular relevance to the developing world. This includes 14 clinical programmes for medicines and vaccines against these diseases.

Community investment

Through our Global Community Partnerships programme, GSK funds community-led initiatives in over 100 countries around the world. Our global community activities in 2006 were valued at €216 million.

- Through our partnership with the WHO's Global Alliance to Eliminate Lymphatic Filariasis, GSK has provided free of charge over 600 million albendazole treatments to stop the transmission of this parasitic disease. The disease currently affects 120 million people and threatens over one billion in 80 countries. Over the anticipated 20 year life of the programme, our donations to this important endeavour will build to an estimated six billion tablets, valued at €760 million
- GSK's Positive Action programme aims to strengthen the capacity of community-based organisations providing HIV and AIDS prevention education, healthcare services and to increase the number of people coming forward for testing and treatment by reducing stigma and discrimination. We have 19 Positive Action programmes running in 17 countries



- Every year more than two million people die of diarrhoea related diseases, mostly children in developing countries. These deaths can often be easily prevented through better hand washing and sanitation. GSK's Personal Hygiene And Sanitation Education (PHASE) programme is helping to reduce diarrhoea related diseases by encouraging school children to wash their hands.
- Every 30 seconds a child dies from Malaria. GSK's African Malaria Partnership is working to increase awareness, political commitment and funding to combat this disease through an advocacy initiative – 'Mobilising for Malaria' in Africa and Europe.

Innovative Partnerships

GSK wants to be at the heart of the global response to the HIV and AIDS pandemic. We are constantly looking for creative ways and partnerships to help countries improve access to medicines.

One such example is granting voluntary licences (VLs) and, to date, GSK has granted eight VLs for AIDS medicines to generic companies across Africa.

VLs enable local manufacturers to produce and sell generic versions of our products which together with preferential pricing, can help to increase access to affordable medicines. A decision to grant a VL depends on a number of factors including the severity of the HIV and AIDS epidemic in that country, local healthcare provision and the economic and manufacturing environment.

Partnerships

There are no easy solutions to the challenge of providing access to sustainable healthcare in developing countries. We believe it is the responsibility of governments and intergovernmental agencies, supplemented by the work of non-governmental organisations and other stakeholders, including the industry, to work in partnership to deliver the healthcare needed in these countries.





Lessons learnt

It is 10 years since GSK pioneered donation programmes and sustainable preferential pricing for ARV's to prevent mother to child transmission of the HIV and AIDS virus.

Since then we have learned that without the necessary healthcare infrastructure, access to treatment will always be denied to those who need it, no matter how low the price of medicines become. We have learned that stigma and discrimination are real barriers that limit access to treatment and that donations are not a sustainable way to address chronic diseases. Most importantly, we have learned that only an holistic approach embracing both prevention and treatment will work - one in which medicines play a supporting role in a more comprehensive programme of prevention, health education, screening diagnosis and treatment, community care and support.

The global community must provide political will, a significant mobilisation of additional resources and a spirit of partnership if we are to see an improvement in healthcare and quality of life across the developing world. We believe we are playing our part and will continue with our efforts, improving our initiatives by applying lessons learned and looking for opportunities to do more.

Key facts

- All of our medicines for HIV and AIDS and malaria are available at not-for-profit prices in the world's poorest countries
- In 2006 we shipped 86 million *Combivir* and *Epivir* tablets at not-for-profit prices to developing countries for the treatment of HIV and AIDS
- In 2006 our licensees supplied an additional 120 million tablets of generic ARVs licensed from us
- We believe GSK remains the only pharmaceutical company researching both new vaccines and treatments for HIV and AIDS, TB and Malaria – the World Health Organization's three priority diseases
- GSK is also one of the primary suppliers of vaccines to major international organisations such as WHO, UNICEF and the Pan-American Health Organization. In 2006, of the 1.1 billion vaccines we shipped, around 75% went to the developing world.



For more information please see
gsk.com/responsibility/index.htm